GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:3072
ANSWERED ON:22.03.2002
PERMISSION TO CLOSE INDUSTRIES
UTTAMRAO NATHUJI DHIKALE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is necessary for the owners to obtain permission of the Government to close down their industries;

(b) if so, the details thereof and the number of such proposals lying with the Government; and

(c) the schemes formulated for the employees likely to be rendered jobless in case this permission is granted?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a)&(b):Permission for closure is required under the Industrial Dispute Act by industrial establishments, viz. a factory, a mine and a plantation not being an establishment of a seasonal character or in which the work is performed only intermittently in which not less than 100 workers are employed on an average during the preceding 12 months under Section 25(K) read with Section 25(L) of the Industrial Disputes Act, 1947. Proposals of the National Textile Corporation Ltd. for closing down twenty-two sick mills under them are pending as on 20.03.2002.

(c) Apart from providing Voluntary Retirement benefits in accordance with existing guidelines, the Department of Public Enterprises also have a scheme for Counselling, Retraining and Redeployment of rationalized employees of Central Public Sector Undertakings.